

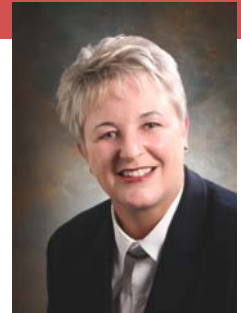
CARD ROOM CONNECTION

OFFICIAL NEWSLETTER OF THE WASHINGTON STATE GAMBLING COMMISSION
FOR CARD ROOM OPERATORS AND CARD ROOM EMPLOYEES

July– December 2006 Edition

Deputy Director Appointed

Sharon Tolton-Reese was appointed Deputy Director in July 2006. Graduating from St. Martin's University with a degree in criminal justice, Sharon has enjoyed a lengthy public service career that has included duties as: Dispatcher, Deputy Sheriff, Deputy Director at the Criminal Justice Training Commission, and most recently Educator Consultant for the King County Sheriff's Office.



Sharon has maintained strong relationships and membership activities with the Washington Association of Sheriffs and Police Chiefs (WASPC) and the International

(Continued on page 11)

Assistant Director of Field Operations Appointed

Mark Harris started at Lacey Headquarters as Assistant Director of Field Operations Division on December 1, 2006.



Mark was hired by the Gambling Commission in September 1994 as a Special Agent in the Field Operations Division, Northwest Region. In March 1997, Mark promoted to the position of Special Agent III-Lead in the Bellingham Field Office. In October 1998, he advanced to Special Agent Supervisor. Mark

has also served as Acting Program Manager and Agent in Charge within the Field Operations Division.

Mark graduated Summa Cum Laude from Eastern Washington University with a Bachelor degree in Accounting. In June 1995, he graduated from the Basic Law Enforcement Academy first in his

(Continued on page 11)

Card Room Activity Reports Due January 30, 2007

Activity Reports were mailed to card room operators late December 2006. In the past, activity reports were due four times a year, once each quarter (1st, 2nd, 3rd and 4th quarters). Activity Reports must now be completed and returned to us twice a year.

You must still record quarterly activity **separately** on this form. The form you just received has two columns; record 3rd quarter activity in the first column and 4th quarter activity in the second column. Complete the form and return it to us by January 30, 2007.

(Continued on page 2)

2007 Legislative Update

The Commission submitted three proposals to the Governor's Office for agency request legislation.

The Governor's office conditionally approved the first proposal, subject to some small language changes. We are waiting to hear on the other two.

(Continued on page 11)

Discontinuing Progressive Jackpot Games

By: Special Agent David Gohlke, Spokane Field Office

Recently, several card rooms have incorrectly removed house-banked progressive jackpot games from play. Requirements for discontinuing progressive jackpot games and what must be done with the jackpot funds are in WAC 230-40-805(3) and are outlined below.

Players have a vested interest in all progressive jackpot funds that have been advertised or displayed. Card room operators must disburse those funds using one or more of the following ways:

- 1) Transfer the prize to a different progressive house-banked game.
- 2) Donate the prize to the Washington State Council on Problem Gambling.
- 3) Offer the prize through an approved tournament. An approved tournament means a single tournament. The tournament may include multiple rounds, but the progressive jackpot prize fund must be distributed based on the players' final standing in the tournament. The length of the tournament cannot exceed thirty days.

Before a progressive jackpot game can be discontinued, card room operators must receive written approval from us on how they plan to distribute the prize fund. The approved plan must be conspicuously posted at least ten days before the game is discontinued. The prize funds must be distributed within sixty days after the distribution plan is approved by us. Please contact your local field agent if you have any questions.



New Commissioner Appointed

Keven Rojecki was appointed as a Gambling Commissioner in July 2006 and attended his first Commission meeting in August.



Commissioner Rojecki is a 15-year veteran firefighter with the SeaTac Fire Department and holds the position of legislative liaison with the Washington State Council of Firefighters.



Card Room Activity Reports Continued

(Continued from page 1)

Remember to record each quarter's activity **separately** on the activity reports.

Penalties for Late Reporting

Penalties for submitting late reports are based on your history of turning in activity reports. If you do not turn in your report on time, one of the following will happen:

- If you are late once, you will receive a warning letter asking you to send in the report immediately.
- If you are late more than once, your Agent will issue a Notice of Violation and Settlement (NOVAS) giving you the opportunity to settle the violation by turning in the activity report **and** paying a \$300 fine.
- If you are late several times, a Statement of Administrative Charges will be issued for the suspension or revocation of your gambling licenses.

If you have questions, contact Financial Reporting at 800.345.2529 extension 3476 or extension 3477, or e-mail: FinancialReporting@wsgc.wa.gov

Field Office Phone Numbers Have Changed

Our three regional field offices recently had their phone system upgraded. You may now reach your agent by dialing them directly.

Tacoma Field Office

Main Phone	253.671.6280
FAX (unchanged)	253.471.5317
Jeannette Sugai, Program Manager	253.671.6281
Shellie Neuman, Secretary	253.671.6284
Susan Blanchett, Special Agent Supervisor	253.671.6282
Sonja Dolson, Special Agent Supervisor	253.671.6283
Ray Wakeman, Special Agent Supervisor	253.671.6294
Terry Bach, Special Agent	253.671.6285
Debby Vandall, Special Agent	253.671.6286
Lisa Saila, Special Agent	253.671.6287
Kevin Maxwell, Special Agent	253.671.6288
Keith Wittmers, Special Agent	253.671.6289
Fred Wilson, Special Agent	253.671.6290
Curt Moriyama, Special Agent	253.671.6291
Tony Hughes, Special Agent	253.671.6292
Paul Nicholes, Special Agent	253.671.6293
Jennifer LaMont, Special Agent	253.671.6299

Spokane Field Office

Main Phone	509.325.7900
FAX (unchanged)	509.329.3674
Gary Drumheller, Program Manager	509.325.7904
Patty Jones, Secretary	509.325.7905
Bill McGregor, Special Agent Supervisor	509.325.7906
James Dibble, Special Agent	509.325.7907
Eric Gural, Special Agent	509.325.7908
Michael Schneider, Special Agent	509.325.7909
Ben McDonald, Special Agent	509.325.7910
David Guhlke, Special Agent	509.325.7911

Everett Field Office

Main Phone	425.304.6300
FAX (unchanged)	425.339.1743
Greg Thomas, Program Manager	425.304.6304
Tammy Bodmer, Secretary	425.304.6305
Joanne Newman, Secretary	425.304.6305
Darcey Axon, Special Agent	425.304.6307
Amy Schmitt, Special Agent	425.304.6308
Bill Kesel, Special Agent	425.304.6309
David Meglemre, Special Agent	425.304.6310
Joe Abrew, Special Agent	425.304.6311
Dan Eddy, Special Agent	425.304.6313
Edward Ward, Special Agent	425.304.6314



**Visit our website at
www.wsgc.wa.gov**

Problem Gambling

In 2005, Governor Gregoire signed a law that established a state-funded program to prevent and treat problem gambling. In September of 2005, the Department of Social Health Services, through its Division of Alcohol and Substance Abuse (DASA), began a Problem Gambling Program, which provides awareness, education, and treatment services. The Program also features a 24 hour/7-day per week Helpline, staffed by trained individuals.

The law created a Problem Gambling Account in the State Treasury to fund program services. The law requires the Washington State Lottery, businesses operating games of chance (such as social card games, bingo, raffles, and punchboard/pull-tab games) or operating horse races to pay a business and operating tax. In addition, several Washington Tribal governments voluntarily gave \$552,000 in Fiscal Year 2006 for the treatment of problem gambling.

DASA has contracted with the Washington State Council on Problem Gambling, a private, a non-profit organization, to give presentations to interested groups concerning problem gambling awareness and education. Presentations can be tailored to meet the needs of the audience; topics include problem gambling among youth and the elderly, as well as educating casino employees to recognize the symptoms of gambling addiction.

The Problem Gambling Program offers treatment for gamblers and family members who are Washington State residents; individuals can access treatment by calling the Helpline at 1-800-547-6133. Public funding is available for those who qualify.

The law also established a Problem Gambling Advisory Council (PGAC) to assist in designing and evaluating the Program. The PGAC members represent state agencies, tribal governments, treatment providers, the recovering community, law enforcement, defense attorneys, and the gambling industry. The Committee meets regularly to discuss issues related to the Problem Gambling Program.

DASA recently redesigned the problem gambling posters, which prominently display the Helpline number. In addition to the general awareness poster, other varieties target families, youth and the elderly. An example of one poster is shown to the right.

To request new brochures or posters, or to schedule a presentation regarding problem gambling, call 800.662.9111 or visit DASA's website at: <http://www1.dshs.wa.gov/dasa/services/OPPLR/ProblemgamblingPrgm.shtml>

A youth gambling awareness conference will be held April 4 - 6, 2007, in Seattle. See page 10 for details.

FOR MORE INFORMATION

Washington State Department of Social and Health Services – Division of Alcohol and Substance Abuse
Problem Gambling Program
360-725-3813
www1.dshs.wa.gov/dasa

Washington State Council on Problem Gambling
206-546-6133
www.wscpg.org

Second Chance
www.secondchancewa.org

Teen Gambling Prevention Project
www.timetofoldem.com

National Council on Problem Gambling
www.ncpgambling.org

Gamblers Anonymous
www.gamblersanonymous.org

Gam Anon
www.gam-anon.org

PROBLEM GAMBLING AFFECTS EVERYONE



“I DIDN'T THINK I COULD GET ADDICTED TO GAMBLING – I THOUGHT I WOULD RECOGNIZE THE SIGNS”
— a 38-year old Helpline caller



DSHS 22-1146 (6/06)

**WASHINGTON STATE
PROBLEM GAMBLING HELPLINE
1-800-547-6133**

Rule Changes under Review

At the January 12, 2007, Commission Meeting

Up for Final Action

License Fee Increase

The proposed rule change would increase licensing fees approximately 3%. The fee increase would not be effective until June 30, 2007. Fees have not been increased for four years.

Tip Reporting for Card Room Employees

The proposed rule change would require more detailed procedures for the accountability of tips received by card room employees in house-banked card rooms.

Under the amendments:

- 1) Tip (“toke”) drop boxes must be locked and remain under camera coverage at all times;
- 2) Tips must be redeemed under surveillance;
- 3) Card room employees (CRE) must accurately report all tips to their employer. This puts the burden on the CRE to report accurately; and
- 4) Tips received by the cage cashier must be counted and documented by the shift/floor supervisor or security.

Scheduling Reconsideration Hearings

The proposed rule change authorizes the Commission to automatically schedule petitions for reconsideration of Final Orders issued by the Commission. If the petition for reconsideration is received less than 15 business days before a regularly scheduled Commission meeting, the petition will be heard at the meeting immediately following the regularly scheduled Commission meeting.

For More Information on Proposed Rules Changes

Proposed rule changes are generally discussed at three Commission meetings. At the first meeting rules are “**Up Filing.**” If the rules are filed at the first meeting, they will be “**Up for Discussion**” at the next meeting. At the third meeting, the rules would be “**Up for Final Action.**” When proposed rule changes are Up for Final Action, the Commission may choose to adopt the rule changes, hold them over for further discussion, or remove them from discussion.

Up for Discussion

Petition for Rule Change

The petitioner requests that if a card room’s accounting department does not work on weekends, or federal or state holidays (such as New Years Day), the accounting department can empty the fill/credit slip dispenser (whiz machine) on the next day that they work, rather than come in on weekends and holidays to empty the whiz machine.



Photo by David Lindes

Up for Filing

Petition for Rule change from a Poker Player

The petitioner requests that poker wagering limits be increased from \$25 to \$40.

I.D. Service Stamp Fee Increase

The proposed change will increase fees for identification and inspection service stamps licensees must purchase and affix to gambling equipment by approximately 3.38% beginning June 30, 2007.

If you have comments on rule changes under review, you are encouraged to attend a Commission meeting. If you can’t attend a meeting, send your comments to: WSGC, Attention: Rules Team
P.O. Box 42400
Olympia, WA 98504
Or e-mail: Rulesteam@wsgc.wa.gov.

For detailed information about proposed rule changes under review, visit our website at www.wsgc.wa.gov and select Public Meetings, January 12, 2007, Commission meeting.

Proposed Rule Changes Removed from Discussion

Logo Chips

The petitioner requested that unlicensed persons be allowed to possess discontinued gaming chips from card rooms that have closed, or that have changed their chip logo. The petitioner's intent was to allow chip collectors to buy and sell discontinued logo chips. The Commission did not approve the petitioner's request and it was removed from discussion.

Crediting Pull-Tab Winnings to Gift Cards

The petitioner withdrew their request for a rule change to allow punchboard/pull-tab winnings of \$20 or less to be credited to a gift card rather than paying the prize in cash. In August 2006, the Commission approved a rule change to allow gift cards to be used to participate in gambling activities. However, the change did not allow gambling winnings to be credited to gift cards.

Fill and Credit Slips

Leading Edge Software submitted a petition for rule change requesting that card rooms be allowed to print fill/credit slips one at a time from a computer based program. Currently, house-banked card rooms must process fills and credits using a three part form dispensed from a "whiz machine." At the October Commission meeting, the petitioner withdrew their request and will be working with staff to identify safeguards in their computer system.

Washington State Gambling Commission

Our Mission

Protect the Public by Ensuring that
Gambling is Legal and Honest.

Our Vision

Anticipate, Innovate and Excel.

Our Values

Integrity, Professionalism,
Respect and Diversity.

2007 Commission Meeting Schedule

January 11 & 12

DoubleTree Guest Suites - Seattle

16500 Southcenter Parkway
Seattle, WA 98188 - 206.575.8220

February 8 & 9

Red Lion Hotel - Olympia

2300 Evergreen Park Drive
Olympia, WA 98502 - 360.943.4000

March 8 & 9

Red Lion Hotel - Olympia

2300 Evergreen Park Drive
Olympia, WA 98502 - 360.943.4000

April 12 & 13

Red Lion Hotel - Pasco

2525 N. 20th Avenue
Pasco, WA 99301 - 509.547.0701

May 10 & 11

The Heathman Lodge - Vancouver

7801 NE Greenwood Drive
Vancouver, WA 98662 - 360.254.3100

June - No Meeting

July 12 & 13

La Quinta Inn & Suites

1425 East 27th Street
Tacoma, WA 98421 - 253.383.0146

August 9 & 10

Location not yet determined

September 13 & 14

Location not yet determined

October 11 & 12

Location not yet determined

November 15 & 16

DoubleTree Guest Suites - Seattle

16500 Southcenter Parkway
Seattle, WA 98188 - 206.575.8220

December - No Meeting

Administrative actions taken for violating gambling rules.

Name	Violation	Case Outcome
Larry D. Foland, Card Room Employee (CRE), (formerly employed at Bluz at the Bend) Spokane	Caused his employer to violate gambling rules and regulations and continued to use illegal gambling equipment after being cited.	The licensee agreed to surrender his gambling license.
Ian McDonald, CRE, (formerly employed at Midway Casino and Westside Lanes) Olympia	Cheating	The licensee failed to respond to the charges, and a Default Order was entered revoking his license.
Antonio Stillwell, Applicant, Shoreline	Criminal History	An Administrative Law Judge (ALJ) issued an Order denying his application.
Paula M. Elkins, Class III employee, (formerly employed by the Muckleshoot Casino) Enumclaw	Criminal History	The certification holder failed to respond to charges, and a Default Order was entered revoking her certification.
Laurel A. Forcher, CRE, (employed at Buzz Inn Steakhouse) East Wenatchee	Criminal History	An ALJ issued an Order revoking her license. She filed a Petition for Review and the Commissioners suspended her license for 30 days.
Shaun L. Elliott, Applicant, Tacoma	Failure to fully disclose his criminal history	An ALJ issued an Order denying Mr. Elliott's application.
Tin H. Chau, Applicant, Olympia	Failure to disclose a material fact on his application.	An ALJ issued an Order denying his application.
Chrep Vat, Class III Employee, (formerly employed by the Muckleshoot Casino) Auburn	Failure to prove, by clear and convincing evidence, that she was qualified.	An ALJ issued an Order revoking her Class III Certification.
Debra K. Brown, CRE, (formerly employed at Chips Casino/Lakewood) Lakewood	Force balanced a cashier cage reconciliation and put the overage in the cashier cage tip pool while working as a cage cashier.	The licensee failed to respond to charges, and a Default Order was entered revoking her license.
Adam T. Froese, CRE, (formerly employed at Big Daddy's CBG) Spokane	Gave approximately \$1,023 in pull-tabs to patrons without collecting payment.	The licensee failed to respond to the Summary Suspension and a Default Order was entered revoking his license.

Administrative actions continued.

Name	Violation	Case Outcome
Linh T. Ton, Class III employee (formerly employed by the Red Wind Casino) Olympia	Gave cash and cash tickets for the tribal lottery system machines to patrons without collecting payment.	The certification holder failed to respond to charges, and a Default Order was entered revoking her certification.
Raymond Orme, CRE, (formerly employed at Rascals Casino) Puyallup	Illegally possessed gambling equipment and tried to sell gambling equipment without a distributor's license.	An ALJ issued an Order revoking his license.
Jean D. Dobbins, CRE & Class III employee, (formerly employed at Chrome Café and by Tulalip Tribes) Stanwood	Operated an unlicensed card room dealer's school	The licensee agreed to surrender her gambling license and her Class III certification.
Andy Q. Dau, CRE, (formerly employed by Last Frontier/New Phoenix Casinos) Vancouver	Placed bets with a bookmaker.	An ALJ issued an Order revoking his license.
Steve Tran, CRE, (formerly employed by Last Frontier/New Phoenix Casinos) La Center	Placed bets with a bookmaker.	An ALJ issued an Order revoking his license.
Daniel P. Sullivan, CRE & Class III employee, (formerly employed by Angel of the Winds Casino & Royal Casino/ Everett) Arlington	Placed or pressed token bets without the authorization of casino customers while working as a craps dealer.	The licensee failed to respond to charges, and a Default Order was entered revoking his CRE license and his Class III certification.
Annette Shrauner, CRE (formerly employed at Crazy Moose Casino and Highway 9 Casino), Everett	Removed \$500 cash from the cashier's cage; however, she was unable to account	The licensee agree to surrender her license.
Thinh V. Bui, CRE, (formerly employed at Parkers Sports Bar & Casino) Shoreline	Theft of casino gambling chips while working as a dealer.	An ALJ issued an Order revoking Mr. Bui's license. He filed a Petition for Review. The Commissioners issued a Final Order on Petition for Review agreeing with the ALJ's Initial Order revoking his license.
Brian R. Dunn, CRE, (formerly employed at Z's Restaurant at Zeppoz) Pullman	Theft of approximately \$2,325 in casino gambling chips while working as a dealer.	The licensee failed to respond to the Summary Suspension and a Default Order was entered revoking his license.

Administrative actions continued.

Name	Violation	Case Outcome
Jason Miller, CRE, (formerly employed at Buzz Inn Steakhouse) East Wenatchee	Theft of approximately \$65,347 while working as an accounting employee.	The licensee failed to respond to the Summary Suspension and a Default Order was entered revoking his license.
Zarina Nelson, CRE, (formerly employed at Cascade Lanes) Renton	Theft of \$600 in casino gambling chips while working as a Shift Manager.	The licensee agreed to surrender her gambling license.
Truc-Le Pham, CRE, (formerly employed at Great American casino and at Point Defiance Casino) Ruston	Theft of a \$100 casino gambling chip while dealing.	An ALJ issued an Order revoking her gambling license.
Jose L. Rodriguez, Class III employee, (formerly employed by the Muckleshoot Casino) Auburn	Theft of \$100 cash while working in the Video Gaming Department cashier's cage.	The certification holder failed to respond to charges, and a Default Order was entered revoking his certification.
Jenni Schaefer, CRE, (formerly employed at Hawks Prairie Casino and Happy Days Casino) Lacey	Theft of approximately \$70,004 while working as an accounting employee.	The licensee failed to respond to the Summary Suspension and a Default Order was entered revoking her license.
Donald Stevenson, Class III employee, (formerly employed by the Muckleshoot Casino) Auburn	Theft of \$300 cash while working as an assistant security director.	The licensee failed to respond to charges and a Default Order was entered revoking his certification.
Nhuy S. Tran, CRE, (formerly employed at Wizards Casino) Renton	Theft of approximately \$500 to \$650 dollars in casino gambling chips while working as a dealer.	An ALJ issued an Order revoking her license.
Hang T. Pham, CRE (formerly employed at 11 th Frame Restaurant & Casino) Everett	Wrote seven checks to a card room although she knew there was not enough money in her bank account to cover the checks.	An ALJ issued an Order revoking her gambling license.
Tosawi Saddler, CRE, (formerly employed by Parker's Sports Bar & Red Dragon Casino) Everett	Wrote five checks on a closed account at two different card rooms.	An ALJ issued an Order revoking his gambling license.

“21”

YOUTH GAMBLING AWARENESS IN THE 21ST CENTURY

A whole generation is growing up in a society where gambling has been readily available—celebrity poker tournaments and Internet gambling to sports betting and even casino nights at their schools.

Are they ready to make informed choices?

What are our roles and responsibilities?



**Washington State
Council on Problem Gambling**

Western Regional Conference on Youth Gambling Awareness April 4-6, 2007

University of Washington - Seattle

**For more information on Registration Materials,
Presentations, and Sponsorship Opportunities, call:**

Washington State Council on Problem Gambling 206.546.6133

Deputy Director Appointed Cont.

(Continued from page 1)

Association of Police Chiefs (IACP). She is also a graduate of the FBI Leadership program in Quantico, Virginia.

Sharon is a returning staff member to the Gambling Commission having worked for the agency from 1985 to 1997 when she was the Assistant Director of Special Operations responsible for Special Investigations and Tribal Gaming. She was a member of the original state compact negotiations team.

Sharon will be working with Tribal governments and managing several service divisions of the Gambling Commission. She looks forward to developing strong value-based partnerships with the governments, communities, and individuals the agency serves.



Sharon was born and raised in Surrey, England, becoming a citizen in 1973 when her family relocated to Snohomish County. She is married to Stephen Reese, a retired Marine Corps, Lt. Colonel. They have two grown daughters, Brittany and Courtney.

Assistant Director of Field Operations Appointed Cont.

(Continued from page 1)

class. Mark became a licensed CPA in 1996 and a Certified Fraud Examiner in 1999. In December 2002 he achieved Supervisory Certification from the Criminal Justice Training Commission. Mark earned certification as a Forensic CPA in September 2005, and completed Dimension II of the WSGC Leadership Academy in October 2005.

Mark looks forward to continuing to work with agency staff, licensees, and the public in his new position to help meet the agency's goals and supporting its mission, vision, and values. Mark is originally from Eastern Washington and was raised in Moses Lake.

2007 Legislative Update Cont.

(Continued from page 1)

The proposals would:

1) Change the Commission's Powers and Duties to allow:

- **The Director to issue temporary licenses to individual licensees and other businesses.** This would allow people who qualify for a license to receive a temporary license after the background process is completed, rather than waiting for approval at a monthly Commission meeting.
- **The Director to issue orders of summary suspensions to individual licensees and other businesses.** A summary suspension requires licensees to stop working immediately and is reserved for cases that involve cheating, theft, and other serious violations.
- **Military personnel to renew their licenses** if they have been deployed and their license expired during deployment. Department of Licensing and Fish and Wildlife make similar licensing exceptions for military personnel.

2) **Impose penalties against minors who gamble.** There are currently no penalties against minors, only against the business where they gamble and the dealer. The penalty would be a \$125 fine and could include community supervision and court costs.

3) **Allow the Commission to create a barring list** to keep known criminals from entering gambling facilities and require operators to bar them. The list is intended for individuals convicted of gambling crimes, such as bookmaking or cheating, or crimes committed in connection with a gambling activity, such as a gambling-related theft.

If the Governor's Office approves these proposals, we will pursue these changes during the Legislative Session, which starts January 8, 2007.

If you have questions about gambling related legislation after session starts, check the legislative website at www1.leg.wa.gov/legislature/ or you may contact Amy B. Hunter, the Gambling Commission's Legislative Liaison, at (360) 486-3464 or e-mail AmyB@wsgc.wa.gov.

OUR MISSION:
PROTECT THE PUBLIC BY ENSURING THAT GAMBLING IS LEGAL AND HONEST.

CALL OUR FIELD OFFICE CLOSEST TO YOU
FOR
REGULATORY OR OPERATIONAL QUESTIONS:

BELLINGHAM 360.676.2012

EVERETT 425.304.6300

**KENNEWICK 509.734.7412
509.734.7465**

PORT ORCHARD 360.769.9113

RENTON 425.277.7014

SPOKANE 509.325.7900

TACOMA 253.671.6280

TOLEDO 360.864.4240

**VANCOUVER 360.576.6012
360.833.0587**

WENATCHEE 509.886.6230

YAKIMA 509.575.2820

**FOR HELP
WITH
PROBLEM GAMBLING
CALL: 800.547.6133**

Tribal Contributions to Local Communities

Shanna Lingel, Special Agent, Tribal Gaming Unit

Most Tribal-State Gaming Compacts include two types of contributions Washington Tribes make to government agencies and charitable/non-profit organizations. These contributions are the 2% Community Impact distribution, and the Tribal Lottery System (machine gaming) Charitable distribution.

The 2% Community Impact disbursements are used to reimburse local governmental agencies that are impacted by the operation of the tribal casino in their area. A majority of Tribal-State Gaming Compacts have Tribes distributing up to 2% of net win (the amount wagered minus prizes paid) of table game revenues. Satellite wagering, sports pools, Class II gaming, charity table proceeds, and non-gaming revenues such as food, beverage or gift shop proceeds are not included in this calculation. The 2% Community Impact disbursements are made by Tribes annually; however, some Tribes make disbursements quarterly. In 2004, 15 Tribes operating casinos distributed over \$4.8 million dollars to 58 governmental agencies.

The Tribal Lottery System Charitable disbursements are the second type of contributions made by Tribes. Tribes distribute 0.5% of the Tribal Lottery System net win (amount wagered minus prizes paid) to bonafide charitable or non-profit organizations in Washington State. In 2004, 14 Tribes operating casinos distributed over \$5.4 million dollars to 777 bonafide charitable or non-profit organizations.

Each year, staff from the Gambling Commission's Tribal Gaming Unit verify accruals and disbursements for both the 2% Community Impact, and Tribal Lottery System Charitable contributions.

Washington State Gambling Commission

Headquarters Mailing Address: P.O. Box 42400, Olympia, Washington 98504-2400

Headquarters Location: 4565 - 7th Avenue, Lacey, Washington 98503

Phone: 360.486.3440 Toll-Free: 800.345.2529 (in-state only)

TDD: 360.486.3637 Website: www.wsgc.wa.gov

Editor: Susan Arland, Rules Coordinator and Public Information Officer

Layout and design: Michelle M. Pardee

This newsletter is published twice a year by the Washington State Gambling Commission.